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Assistant Director for Research and Reports

12 June 1958

Chief, Economic Research Area

Activity Report for the Month of May 1958

1. Items of General Interest

a. Members of the ERA assisted in the preparation of an address on Khrushchev's Challenge given by the DCI at the annual meeting of the US Chamber of Commerce.

b. On 7 May, Messrs. Dulles, Amory and [REDACTED] 25X1A9a briefed the Special Committee on Soviet Activity in World Trade, a committee of the Business Advisory Council for the Department of Commerce. On 15 May, Messrs. Dulles and [REDACTED] 25X1A9a and State Department officials briefed members of the same committee on specific aspects of the Soviet trade offensive.

c. [REDACTED] 25X1A9a visited New York City to discuss with [REDACTED] 25X1A5a1

[REDACTED] 25X1A5a1 details of the Canadian-USSR exchange on the nickel industry. Senior members of ORR briefed the US members of the US-USSR steel exchange delegation. [REDACTED] 25X1A5a1 attended the final meetings of the delegation in New York City prior to its departure on 22 May 1958 for the USSR. 25X1A9a

d. [REDACTED] 25X1A9a and members of DD/P briefed US Secretary of Labor, James P. Mitchell, on the Soviet labor force.

e. [REDACTED] 25X1A9a participated in a CIA briefing, chaired by Mr. Dulles, of the Hon. Henry S. Villard, Consul General and U.S. Representative to International Organizations, Geneva, Switzerland. [REDACTED] 25X1A9a discussed the Economic Research Area's mission and its relation to RCE's activities.

f. Chief D/M, and representatives of M/FP, briefed [REDACTED] 25X1X7 on D/M and ERA research in the energy field, particularly atomic energy.

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g. [REDACTED] continued his assistance to the Bureau of the Census in its negotiations to exchange delegations with the USSR to observe Soviet census procedures in 1959 and ours in 1960. The proposal has been submitted by the Department of State to the Soviet Embassy.

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h. [REDACTED] I/OM, were consulted by Capt. Potter, Messrs. Barling and Kinney of the ATIC, and [REDACTED]

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[REDACTED] (consultants to the Air Force) about a machine information-handling program which ATIC is considering using for guided missile intelligence. I/OM hopes to have access to the consultants' report.

1. A partial reorganization of the Analysis, Industrial and Services Divisions was put into effect during the month. Six branches - A/P, I/CI, I/TH, I/MA, I/NA, and S/OM - were abolished and their functions and personnel were reassigned to existing components in the three Divisions concerned and to three newly created branches - A/PC, I/PE and I/MS. The purpose of this reorganization and of certain other reallocations of positions was to provide an additional 20 positions for the Guided Missile Branch and to effect a more efficient allocation of strength to other research responsibilities.

2. Summary of Analysis Division's Activities

a. Accomplishments: During May, D/A submitted an NIS Section 60, four branch projects, one contribution to an area-wide project, six small support projects, and two evaluations, participated in seven briefings, and contributed to two OCI articles. Members of D/A conferred with the members of the Bureau of the Census, the [REDACTED] on external research projects.

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[REDACTED] gave lecture-briefings to various groups. In addition to participating in ONE discussions on the terms of reference to the Soviet NIE, A/U and a staff member of ONE conducted seminars on the proposed content of ORR's contribution to this NIE.

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b. Administration: [REDACTED] resigned from the Agency. [REDACTED] attended the annual meetings of the Population Association of America in Chicago, 2-4 May.

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3. Summary of Materials Division's Activities

a. Accomplishments: During May, D/M submitted an NIS Section 61 and forwarded to the respective action branches 14 contributions to area-wide projects. In addition, D/M completed four small support projects and 30 evaluations of ED/P reports, and prepared memoranda or comments on nine miscellaneous subjects. D/M branches also provided appreciable support to the exchange program.

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b. Administration: [REDACTED] M/CH, and [REDACTED] M/FP, resigned from the Agency.

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4. Summary of Industrial Division's Activities

a. Accomplishments: During May, D/I completed four branch projects and made five contributions to area-wide projects, and prepared a number of miscellaneous comments and current support items. Members of I/AR and I/GM conferred with [REDACTED] on Soviet bomber production and future weapons systems. Chief D/I and members of I/GM devoted much time to conferences and the preparation of materials in connection with collection problems in the guided missile field. Chief D/I conferred with representatives of [REDACTED] and the State Department on matters of mutual interest.

b. Trips: [REDACTED] visited New York to confer with [REDACTED]

on 16 May, eight members of I/GM, together with personnel from other ERA components, visited a NIKE site at Waldorf, Maryland, for briefing and orientation.

c. Administration: [REDACTED]

returned from TDY assignments in [REDACTED] transferred to OCI, [REDACTED] was detached for duty overseas, and [REDACTED] resigned from the Agency.

5. Summary of Services Division's Activities

a. Accomplishments: During May, D/S submitted eight branch projects, two contributions to area-wide projects, five small support projects, one CSM, three CSMR Part II articles, and 13 items for the OCI Daily Digest. In support of the review of the international lists in COCOM and in the EDAC structure, S/TD reviewed 74 items which had been referred back to Washington by the USDEL and furnished additional intelligence to EDAC Working Group II on 12 of these cases. S/TD also furnished support to EDAC Working Group I in connection with 23 exceptions cases and on 8 cases involving US shipments to the Bloc. S/TD also prepared for distribution EDIC/ID-24 The Availability of Diamonds in the USSR and prepared memoranda for the DCP on Bloc purchases of industrial diamonds and for the DD/P on certain East-West trading complexes. Four cases of possible diversion of materials were established.

b. Trips: [REDACTED] (S/COM) departed on 17 May for orientation visits in [REDACTED] (S/TF) attended the International Trade Fair in New York.

c. Administration: [REDACTED] reported for duty with S/TD and S/TF respectively.

6. Summary of Current Support Staff's Activities

a. Accomplishments: During May, the following numbers of articles for indicated OCI publications were prepared and concurred in, respectively:

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CIWR, 24-8; CIB, 12-22; CIB/CID, 14-1; CID, 32-27. In addition, memoranda were prepared or information was furnished to the Indications Liaison Officer, the National Indications Center, and/or the IAC Watch Committee on 28 subjects. Six CSM's were published during May. Two DD/I Memoranda were prepared and contributions were made to two NSC briefings, to DD/P, and to the IAC Ad Hoc Committee on the Middle East.

7. Summary of Publications Staff's Activities

a. Accomplishments: St/PB released 15 reports during May as follows: 5 RR's, 3 RA's, 2 IM's, 1 SC/IP, 1 RA Supplement, 2 KIC Biweekly Reports, and the Biweekly Index. Editing was completed on 21 reports, typing was completed on 16 reports, and 9 reports were sent to reproduction. St/PB/A completed the statistical review of 13 projects, and 1 NIS contribution was submitted to OBI.

8. Summary of Planning and Review Staff's Activities

a. Accomplishments: St/PR completed preparation of the draft ERA Research Program for Fiscal Year 1959 and submitted it to St/PB for editing and publication. Materials were compiled for the GRR budget submission. Preliminary work was done on the re-write of existing ERA procedures statements. A meeting was held with representatives of the Office of Personnel concerning preliminary plans for the recruiting trips to be made in the Fall of 1958.

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Distribution:

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St/PR/RR: [redacted] 25X1A9a
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